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TAGS: <u>KS PGOV PREL PINR</u>
SUBJECT: BLUE HOUSE LINEUP: EXPERIENCE IN, PROFESSORS OUT

Classified By: POL M/C Joseph Yun. Reasons 1.4(b/d)

SUMMARY

11. (C) The June 22 changes to the Blue House Chief of Staff and senior secretaries indicate a perceived need by President Lee Myung-bak for professionalism and experience of his immediate staff. Compared to the previous line-up, the percentage of bureaucrats and politicians assigned to senior positions in the Blue House increased significantly. Incoming Chief-of-Staff Jung Jung-gil and Senior Secretary for Political Affairs Meng Hyung-gyu both emphasized the importance of better and more frequent communication, both internally within the Blue House and to the general public. Meanwhile, although the average net worth of the senior secretaries decreased by 55.6 percent to address the public's skepticism about the super-wealthy dominating the Blue House, imbalances in regional and academic backgrounds remain. The principal challenge for the new senior secretaries is how to recover the lost support and goodwill among the Korean public -- a long-term challenge, to be sure. END SUMMARY.

Administrators Rise and Professors Fall

¶2. (C) Two notable features of the June 22 replacement of 8 Blue House senior secretaries are the increase in staffers with proven management ability and the rise of specialists in specific functions considered lacking thus far. The number of senior secretaries from universities decreased from 6 to 2, while career bureaucrats increased from 0 to 3. The Blue House also added another career politician to the mix, increasing the total from 1 to 2. The Blue House made these moves to address its inability to implement policy, the lack of political instincts, and the inconsistent interaction between the Blue House, the bureaucracy, and the GNP. This time around, Blue House senior staff took the blame for the poor start of the new government. The complete change in the Blue House lineup is designed to show the nation that political considerations and public reaction will be weighted more heavily in future policy decisions.

Wealth, Region, and University Backgrounds

13. (U) President Lee intended to avoid charges of elitism in his selection of the new Blue House staffers. Wealth served as an important standard - the average net worth of the Chief-of-Staff and senior secretaries was 1.63 billion won

(approx. USD 1.6 million), 55.6 percent less than the previous average of 3.67 billion (approx. USD 3.6 million). The average could not go much lower than that because any Seoul apartment owner is a USD millionaire on paper.

14. (U) As far as diversity along regional representation and university allegiance lines, the Blue House was criticized for a perceived continued bias in selection. Although the regional balance changed from 5 from Youngnam and 4 Seoul (both of which voted heavily for President Lee) to 4 Youngnam, 3 Seoul, and 2 Honam, the Youngnam region continued to have the most senior staff members in the Blue House. On college representation, the previous lineup favored Seoul National and Korea Universities, with 5 from Seoul National, 3 from Korea, and 1 from Sookmyung University. This time, Seoul National University took a strong lead with 6 secretaries; Korea, Yonsei, and Hanyang Universities followed with 2, 1, and 1 secretary, respectively. As a result, President Lee has not been criticized for favoring his alma mater, Korea University.

NSA Kim Sung-hwan: An Old MOFAT Pro

¶5. (C) NSA Kim Byung-gook's replacement Kim Sung-hwan, who was most recently the second Vice Foreign Minister, has been described as soft-spoken and excellent at hiding his cards. He is a former Director-General for North American Affairs and has expertise in both U.S. and Russian affairs, and is a former Ambassador to Austria and Uzbekistan. His most recent position as 2nd VFM brought Kim exposure to multilateral negotiations, and Kim personally lobbied Post about the ROK retaining its seat on the U.N. Human Rights Council. Having served as the Deputy Minister for Planning and Management, Kim is expected to be an able administrator as well as a well-rounded security advisor.

Chief-of-Staff Jung Jung-gil - "Shadow Role"

- 15. (U) Previously the President of Ulsan University, the new Chief of Staff Jung Jung-gil served in prison for 100 days with Korea University Student President Lee Myung-bak for protesting against the 1964 Korea-Japan Talks when he was Seoul National University Student President. Soon after, he passed the High Civil Service Examination for Administration and worked for 3 years in the Ministry of Agriculture. An old friend of President Lee, Jung Jung-gil served as Dean of Seoul National University Graduate School of Administration, Dean of Seoul National University Gradate School, the President of the Korean Institute of Administrative Studies, and is a prominent scholar of administration. Also, his main work, "The Economic Leadership of the President," demonstrates his credentials in presidential studies and leadership.
- 16. (U) Jung directed his first Blue House senior staff meeting on June 22, when he suggested that they should not lead but rather support the administration as "shadows," meet with more people, and communicate with the public with open ears. According to press reports, the daily 8am senior secretary meetings will be postponed for an hour one day per week to facilitate the staff's participation in various morning meetings. A Blue House official commented that Chief-of-Staff Jung Jung-gil emphasizes flexibility, personal relations, and contacts with various outside sources.

Political Affairs Sen. Secretary-"Facilitator"

17. (U) Senior Secretary for Political Affairs Meng Hyung-gyu is a prominent politician with media background who was elected to the National Assembly three times. He entered politics in the 15th National Assembly, and served as GNP spokesperson, Chief-of-Staff of the Party President, and

Chief of the Planning Committee. Meng is well-known as a facilitator and a consensus builder. During a press conference on June 22nd, Secretary Meng stated that he will "sufficiently consider political aspects in choosing policies" and meet with various outside people after leaving work at 6pm if possible, as with other secretaries.

Comment

18. (C) After less than four months in the Blue House, President Lee finds himself in a deep political hole, intensely disliked by the progressives and alienated from his own conservative support base. The beef protests were the manifestation of the frustration felt by many Koreans that their new President was not listening to them. Nobody believes that firing a half-dozen presidential staff members will do the trick. More heads will certainly roll; several ministers will quit in the coming weeks. Beyond personnel change, President Lee himself must show better political instincts, especially in being more inclusive in sharing power with his adversaries, such as Park Geun-hye and other conservatives. The new Blue House lineup can accommodate better dialogue and form a more efficient partnership with the National Assembly and various ministries, but first, President Lee must show that he is seeking to govern more by consensus than fiat. END COMMENT. VERSHBOW